

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 DODE-00 PM-04 H-02 L-03

NSC-05 PA-01 PRS-01 SS-15 /084 W

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R 061655Z APR 76

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 5156

INFO AMEMBASSY MONTEVIDEO

AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE BUENOS AIRES 2289

E.O. 11652: GDS

TAGS: EFIN, AR

SUBJECT: STOCK MARKET RISES SPECTACULARLY; FOREIGN EXCHANGE  
MARKETS REOPEN ON FIRM BASIS

1. ON FIRST WORKING DAY (APRIL 5) FOLLOWING COUP,  
BUENOS AIRES STOCK MARKET ROSE SPECTACULARLY. ACCORDING PRESS,  
VIRTUALLY EVERY SHARE ON MARKET INCREASED. WELL KNOWN LOCAL  
STOCK INDEX RECORDED 122 PERCENT GAIN IN SINGLE DAY. MANY  
SHARES DOUBLED OR TRIPLED IN VALUE. LOCAL STOCK BROKER ON  
SCENE DESCRIBED MARKET AS MADHOUSE. SHARE VOLUME AND VALUE  
REACHED ALL TIME RECORD FOR BUENOS AIRES EXCHANGE. BUYING  
DEMAND STILL STRONG AS MARKET CLOSED.

2. YESTERDAY, APRIL 5, FOREIGN EXCHANGE MARKETS ALSO OPENED  
FOR FIRST TIME SINCE COUP. AREAS WHERE FOREIGN EXCHANGE  
HOUSES LOCATED CROWDED WITH ONLOOKERS EAGER TO SEE WHICH  
DIRECTION MARKET MOVING. FREE MARKET OPENED AT ABOUT 270/280  
PESOS PER DOLLAR BUYING AND SELLING, NOT GREATLY CHANGED FROM  
MAR. 23 LEVEL BEFORE EXCHANGES COSED BY MILITARY GOVT.  
BY DA'S END, FREE MARKET RATE HAD SUNK TO ABOUT 260/270

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PESOS PER DOLLAR BUYING AND SELLING WITH EXCHANGE HOUSES

REPORTEDLY HAVING DIFFICULTY MEETING HEAVY TOURIST  
EXCHANGE DEMANDS. PARALLEL RATE WAS APPROXIMATELY  
280/290 PESOS PER DOLLAR BUYING AND SELLING (COMPARED  
WITH 340/350 PESOS ON LAST DAY BEFORE COUP) BUT SOURCES  
SAY OPERATIONS VERY RESTRICTED.

COMMENT: BIG BULL STOCK MARKET AND STABILITY ON FOREIGN  
EXCHANGE MARKETS INDICATE INITIAL CONFIDENCE IN NEW MILITARY  
GOVT AND ECONOMIC PROGRAM. AFTER ONLY ONE DAY'S MARKET  
ACTIVITY, HOWEVER, OVERALL PICTURE AND TRENDS NOT YET  
CLEAR.

HILL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, SECURITIES MARKETS, FOREIGN EXCHANGE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 APR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976BUENOS02289  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760129-1087  
**From:** BUENOS AIRES  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1976/newtext/t19760494/aaaadcmx.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 JUL 2004  
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EO Systematic Review  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** STOCK MARKET RISES SPECTACULARLY; FOREIGN EXCHANGE MARKETS REOPEN ON FIRM BASIS  
**TAGS:** EFIN, AR  
**To:** STATE  
**Type:** TE  
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